

country of all commodities financed by A.I.D., and to identify the importer (or the first purchaser or transferee if the commodity is imported by the borrower/grantee) for a period of 3 years following the date of payment or reimbursement by A.I.D. or for such other period as A.I.D. and the borrower/grantee agree. In addition, the borrower/grantee or the importer shall, to the extent either exercises control or custody over the commodities, permit A.I.D. or any of its authorized representatives at all reasonable times during the 3-year or other agreed period to inspect the commodities at any point, including the point of use, and to inspect all records and documents pertaining to such commodities.

**§201.42 Reexport of A.I.D.-financed commodities.**

Unless specifically authorized by A.I.D., commodities imported into a cooperating country under A.I.D.-financing may not be exported in the same or substantially in the same form from the cooperating country. In the event of any unauthorized reexport, the borrower/grantee shall pay promptly to A.I.D., upon demand, the entire amount reimbursed or such lesser or greater amount as A.I.D. may deem appropriate under the circumstances of the particular transaction. Such an amount shall in no event, however, exceed the greater of either the amount reimbursed or the amount realized from the reexport.

**§201.43 Diversion clause.**

A.I.D. may require that charter parties, bills of lading, or other ocean shipping documents covering A.I.D.-financed commodities contain a clause substantially as follows:

A.I.D. may at any time prior to unloading prescribe a different port of discharge from among the ports covered by the applicable tariff. Diversion charges shall apply in accordance with the tariff or contract of affreightment. Deviation insurance and extra handling costs actually incurred shall be reimbursed.

**§201.44 Vesting in A.I.D. of title to commodities.**

(a) *Vesting upon order of A.I.D.* A.I.D. may direct that title to A.I.D.-financed

commodities in transit to a cooperating country shall be vested in A.I.D. if, in the opinion of A.I.D., such action is necessary to assure compliance with the provisions or purposes of any act of Congress.

(1) *Rights of A.I.D. upon vesting of title.* In accordance with instructions by A.I.D., the borrower/grantee, supplier, and bank shall transfer such negotiable bills of lading, suppliers' invoices, packing lists, inspection certificates or other designated documents relating to the commodities as are in, or may come into, their possession.

(2) *Diversion of commodities.* A.I.D. may direct the master or operator of a vessel or an inland carrier carrying the commodities to divert them away from the port or other destination specified in the shipping documents and to deliver them at such other destination as A.I.D. may designate.

(b) *Financial responsibility of A.I.D. under vesting order.* (1) A.I.D. will reimburse a supplier who has not already received payment under the purchase contract for all commodities with respect to which A.I.D. has taken title under a vesting order.

(2) A.I.D. will assume the responsibility for any extra costs (including the costs of marine insurance and handling) which are incurred as a result of a diversion. Such costs shall not exceed diversion charges as per tariff (liner shipments) or contract of affreightment (charters), and shall include only those deviation insurance and extra handling costs which are actually incurred.

(3) A.I.D. shall incur no liability to the borrower/grantee, the importer, or to the approved applicant by reason of any order which vests in A.I.D. title to commodities, or by reason of any request for the diversion of commodities.

**§201.45 Termination or modification of a loan, grant or implementing document.**

(a) *Effect of termination or modification.* (1) Except as provided in paragraph (a)(2) of this section, the availability of A.I.D. funds to finance the procurement of commodities and commodity-related services shall terminate or shall be modified, whenever and